



Legislative Bulletin.....February 8, 2007

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H.R. 547— Advanced Fuels Infrastructure Research and Development Act

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 3

Total Cost of Discretionary Authorizations: \$10 million

Effect on Revenue: \$0

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 0

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

H.R. 547— Advanced Fuels Infrastructure Research and Development Act (Gordon, D-TN)

Order of Business: H.R. 547 is expected to be considered on Thursday, February 8, 2007, subject to a rule. Details of the rule are not currently available, although an open rule is expected.

Note: On September 29, 2006, the House passed by voice vote, [H.R. 6203](#), a bill which created 12 new federal energy-related programs authorized at \$2.25 billion over five years. The provisions of H.R. 547 were included in H.R. 6203.

Summary: H.R. 547 **would authorize \$10 million** for the Environmental Protection Agency (EPA) to **create three new federal programs**. Specifically, the bill would direct the Assistant Administrator of the Office of Research and Development at the EPA, in consultation with the Secretary of Energy and the National Institute of Standards and Technology (NIST), to **establish a new federal program** for the research and development of materials to be added to biofuels to make them more compatible with existing infrastructure used to store and deliver petroleum-based fuels to the point of final sale.

The program is to address the following:

- materials to prevent or mitigate--
 - corrosion of metal, plastic, rubber, cork, fiberglass, glues, or any other material used in pipes and storage tanks;
 - dissolving of storage tank sediments;
 - clogging of filters;
 - contamination from water or other adulterants or pollutants;
 - poor flow properties related to low temperatures;
 - oxidative and thermal instability in long-term storage and use;
 - microbial contamination; and
 - problems associated with electrical conductivity;
- alternatives to conventional methods for refurbishment and cleaning of gasoline and diesel tanks, including tank lining applications; and
- other problems as identified by the Assistant Administrator, in consultation with the Secretary of Energy and the NIST.

H.R. 547 would also direct the EPA, in consultation with NIST, to **create a new federal program** to research and develop a demonstration program on portable, low-cost, and accurate methods and technologies for testing of sulfur content in fuel, including Ultra Low Sulfur Diesel and Low Sulfur Diesel. Within one year of enactment, the EPA is to begin demonstrations of these technologies.

The bill would also direct that, within six months of enactment, NIST is to **create a new national physical properties database** and standard reference materials for biofuels. The database and standard reference materials is to be maintained and updated as appropriate as additional biofuels become available.

H.R. 547 also lists the following findings:

- “in order to lessen United States dependence on foreign sources of petroleum, and decrease demand for petroleum in the transportation sector, the Nation must diversify its fuel supply to include domestically produced biofuels;
- “while ethanol has been successful in the market place as a fuel additive, newer biofuels may present unique challenges that may render the fuels incompatible with the current fuel transportation and delivery infrastructure, placing the burden of costly refurbishment and construction on fuel distributors and retailers;
- “chemical additives to the fuels may mitigate the negative impacts of some biofuels on existing infrastructure and preclude costly retrofitting or installation of new biofuel compatible infrastructure and transportation systems;

- “in order to mitigate air pollution and comply with Federal mandates, Ultra Low Sulfur Diesel fuel was introduced into the marketplace in 2006;
- “fuel labeled Ultra Low Sulfur Diesel may accumulate more than the statutory limit of 15 parts per million of sulfur when transported through multiple pipelines, tanks, and trucks to the final point of sale; and
- “fuel distributors and retailers may inadvertently take delivery of fuel labeled Ultra Low Sulfur Diesel with more than 15 parts per million of sulfur without a practical means of verifying sulfur content.”

Possible Conservative Concerns: Some conservatives may be concerned that H.R. 547 authorizes \$10 million for the creation of two new federal energy research programs and a third new program for the creation of a national physical properties database, without terminating or reducing funds for lower-priority programs.

Additional Information: Biofuels are fuels derived from plant material, such as wood, liquors, straw, landfill gases, and other sources. Two notable examples of biofuel include ethanol and biodiesel.

According to Committee Report [110-7](#), “In 2000 the U.S. Environmental Protection Agency (EPA) instituted a program to lower the emissions of diesel fuels by approximately 97%. Federal regulations mandated that after an initial phase-in period, beginning June 1, 2006, all diesel fuel refined and sold in the U.S. must be Ultra Low Sulfur Diesel.”

The committee report also outlines the details of the Standard Reference Materials (SRMs). SRMs are prepared by NIST for three main purposes:

- “to help develop accurate methods of analysis;
- “to calibrate measurement systems used to facilitate exchange of goods, institute quality control, determine performance characteristics, or measure a property at the state-of-the-art limit; and
- “to ensure the long-term adequacy and integrity of measurement quality assurance programs.”

Earmark Compliance: According to Committee Report 110-7, the “H.R. 547 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(t) of rule XXI.”

Committee Action: H.R. 547 was introduced on January 18, 2007, and referred the House Committee on Science and Technology, which considered it, held a mark-up, and reported the bill, as amended, by voice vote on January 31, 2007.

Cost to Taxpayer: According to CBO, the bill would authorize \$10 million over five years, for the creation of three new programs.

Does the Bill Expand the Size and Scope of the Federal Government?: Yes. The bill would create three new federal programs.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: Committee Report 110-7 cites constitutional authority in Article 1, Section 8 of the Constitution, but fails to cite a specific clause.

House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution” [emphasis added].

RSC Staff Contact: Joelle Cannon; joelle.cannon@mail.house.gov; 202.226.0718

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